COMPARATIVE STUDY OF IMPACT OF HOME LOAN SCHEME OF BANKS-WITH SPECIAL REFERENCE TO SBI AND ICICI BANK

A

SYNOPSIS

SUBMITTED FOR

THE DEGREE OF DOCTOR OF PHILOSOPHY

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INTRODUCTION

A home loan is an amount of money that an individual borrows from a bank or money lending company at a certain rate of interest to be paid with the Equated Monthly Installment (EMI) every month. House is purchased through home loan is taken as a security by the money lending institution. The institution may be any type of banks, and authorised home loan lending institution.

A sum of money borrowed from a financial institution or Bank to purchase a house. Home loan consist of an adjustable or fixed interest rate and payment terms.

Home loan plays an important role in helping one with easy availability of your dream home. There are a number of banks that offer home loans at low interest rate. It has few formalities starting from submitting the application for disbursement of loan amount. Home loan amount varies from person to person depending on the repaying capacity, age and income of loan seeker. The loan is not less than 18 years must not be insane and should not be insolvent loans are offered to salaried person, individual, professional or business person or self employed individual and NRI's.

The home loan schemes offered by the both public and private sector banks are very competitive. Mostly, people prefer public sector bank for Home loan specially because they believe that it is more secure bank and interest rate is lower. On the other hand private sector banks are coming daily in our country and the performance of younger population is changing because of services and facilities provided by them.

Further in India there are two types of Banks. The Public Sector bank and Private Sector Bank, which can be differentiated on the basic of the own where more than fifty percentage of the stake is owned by the Government. All the nationalized Banks are Public Sector Bank. There are total 27 Public Sector Bank in India. In the Private Sector Bank majority of the stake belong to private share holder. There Banks are those which exists before the nationalized in 1969. The new Private Sector Banks are those which got their banking license after the liberalization in 1990s. there are 29 Private Sector Banks in India.

OBJECTIVE OF THE STUDY:-

To comparative study of Home Loan between SBI and ICICI Bank, to evaluate of customer satisfaction between SBI and ICICI Bank in context of Home Loans, To evaluate and compare the Home Loan Scheme of Public Sector Bank SBI and Private Sector Bank ICICI, To know about the customer response regarding the Home Loan. To give on idea of the types of Home Loan Scheme, To study the problem faced by the customers in obtaining Home Loan.

HYPOTHESIS : -

Hypothesis that are tested in this study : -

H01 : - There are significant different between public and private sector bank with regard to politeness, promptness of Bank employee.

H02 : - There is significant different between public and private sector Bank with regard to overall satisfaction of customers.

H03 : - Mostly people prefer public sector bank for Home Loan especially

because they believe that it is secured bank and interest rate is lower.

H04 : - Nominal Home Loan interest rate has a negative impact of the demand of Home Loan.

H05 : - On the other hand the private sector banks are coming daily in our country so they don't believe in this sector/Bank.

SCOPE OF THE STUDY:-

The Indian Housing Finance Industry has grown by leaps and bound in few year. Total Home Loan disbursement by Bank has risen which witnesses phenomenal growth from last 5 years. There are greater number of borrowers of Home loan. So by this study we can find out satisfaction level of customers and problem faced by them in obtaining home loan.

METHODOLOGY:-

To know the customers perceptions about Home Loans of SBI and ICICI Bank. To study the satisfaction level of customers about Home Loan. To study the problem faced by the customers in obtaining the Home loan.

SOURCE OF DATA:-

To fulfill the information need of the study the data is collected from primary as well as secondary sources.

PRIMARY DATA : -

Primary data has been collected through the response of the customers. Through structured questions arises to check the satisfaction level of customer about the Home Loan Scheme and their providers.

SECONDARY DATA : -

It was collected from internal sources. The secondary data was collected on the basis of organizational file. Official records, newspapers, magazines, annual report of RBL and commercial Bank Article and website of the company.

CHAPTERISATION (TENTATIVE)

The text of thesis divided into different chapters:-

1. Introduction, objective, hypothesis
2. Home Lone Facility and Activity given by Public Sector Bank SBI and Private Sector Bank ICICI.
3. Home Lone SBI and ICICI Bank:- History, Function, Lone Activity, Lone Policy, Recommendation.
4. Comparative study of Home Lone given by SBI and ICICI Bank.
5. Data Analysis of Home Loans given by SBI and ICICI Bank.
6. Summary, Conclusion, Finding, Sugession and Recommendation.

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